

**EXHIBIT A**

## The Blackstone Group®

February 15, 2005

Mr. Paul J. Norris  
 Chairman, President and Chief Executive Officer  
 W.R. Grace & Co.  
 7500 Grace Drive  
 Columbia, Maryland 21044

Monthly advisory fee for the period of October 1, 2004 through October 31, 2004: \$ 175,000.00

Out-of-pocket expenses processed for the period through October 31, 2004:<sup>1</sup>

Airfare	\$ (61.19)
Ground Transportation	1,879.24
Meals	310.17
Research	1,416.99
Communications	<u>90.06</u>
	<u>3,635.27</u>
Subtotal	178,635.27
Less: Payment Received	<u>(143,635.27)</u>
<b>Total Due</b>	<b><u>\$ 35,000.00</u></b>

**Please wire transfer funds to:**

JP Morgan Chase  
 One New York Plaza  
 New York, NY 10017  
 ABA# 021 000 021  
 Credit Account: The Blackstone Group L.P.  
 Account Receivable Dept. 14th Floor  
 Account # 066-287472

Invoice Number: 6619-T

<sup>1</sup> Expenses incurred, but not yet processed due to timing differences will be billed at a later date.

The Blackstone Group® L.P.

345 Park Avenue  
 New York, NY 10154  
 212 583-5000

**W.R. Grace & Co.**  
**Summary of Expenses**  
**Invoice No. 6619-T**

	<b>GL Detail</b> <b>Oct-04</b>	<b>Proposed</b> <b>Adjustments</b>	<b>Total</b> <b>Expenses</b>
Airfare	\$ (61.19)		\$ (61.19)
Ground Transportation - Car Services - Elite	166.24		166.24
Ground Transportation - Local Travel	89.00		89.00
Ground Transportation - Out-Of-Town Travel	94.00		94.00
Ground Transportation - Railroad Travel	1,530.00		1,530.00
Meals	310.17		310.17
Internal Research	471.67		471.67
External Research - Multex	292.28		292.28
External Research - Disclosure	98.05		98.05
External Research - Dow Jones	109.63		109.63
External Research - Factset	433.88		433.88
External Research - P.A.C.E.R.	11.48		11.48
Communications - Telephone Conferencing	70.23		70.23
Communications - Federal Express	19.83		19.83
<b>Total Expenses</b>	<b>\$ 3,635.27</b>		<b>\$ 3,635.27</b>
Airfare		\$ (61.19)	
Ground Transportation		1,879.24	
Meals		310.17	
Research		1,416.99	
Communications		90.06	
<b>Total Expenses</b>		<b>\$ 3,635.27</b>	

**W.R. Grace & Co.**  
**Detail of Expenses Processed**  
**October 31, 2004**  
**Invoice No. 6619-T**

**Airfare**

Blechman (one-way coach class flight to White Plains, NY from Baltimore, MD)	08/24/04	430.10
Blechman (one-way coach class flight to Washington, DC from Queens, NY)	08/25/04	384.60
Blechman (one-way coach class flight to White Plains, NY from Washington, DC)	08/25/04	139.10
Blechman (credit for unused airline ticket)	08/27/04	(1,014.99)
<b>Subtotal - Airfare</b>		<b>\$ (61.19)</b>

**Ground Transportation****Car Services****Elite**

Zilly (car to Pennsylvania Railroad Station in New York, NY from home)	05/07/04	28.54
Zilly (car to Stamford, CT from home)	06/03/04	111.13
Zilly (car home from Blackstone)	09/15/04	26.57
<b>Subtotal - Car Service - Elite</b>		<b>166.24</b>

**Local Travel**

Zilly (taxi to client's offices in Columbia, MD from BWI International Airport)	10/20/04	44.00
Zilly (taxi to BWI International Airport from client's offices in Columbia, MD)	10/20/04	45.00
<b>Subtotal - Local Travel</b>		<b>89.00</b>

**Out-Of-Town Travel**

Blechman (taxi to client's offices in Columbia, MD from BWI Railroad Station)	09/13/04	35.00
Blechman (taxi to hotel from train station in Philadelphia, PA)	09/21/04	8.00
Blechman (taxi to BWI Railroad Station from client's offices in Columbia, MD)	09/21/04	38.00
Blechman (taxi to train station from hotel in Philadelphia, PA)	09/22/04	6.00
Blechman (Amtrak to 919 Market Street)	09/27/04	7.00
<b>Subtotal - Out-Of-Town Travel</b>		<b>94.00</b>

**Railroad Travel**

Blechman (round trip travel: Stamford, CT to Baltimore, MD to New York, NY)	08/23/04	326.00
Blechman (round trip travel to/from Baltimore, MD from/to New York, NY)	09/10/04	452.00
O'Connell (round trip travel to/from Baltimore, MD from/to New York, NY)	08/23/04	314.00
O'Connell (round trip travel to/from Baltimore, MD from/to New York, NY)	09/10/04	438.00
<b>Subtotal - Railroad Travel</b>		<b>1,530.00</b>
<b>Subtotal - Ground Transportation</b>		<b>1,879.24</b>

**Meals**

Blechman (meal while traveling)	08/24/04	20.23
Blechman (meal while traveling)	08/24/04	5.33
Blechman (working dinner meal @ Blackstone)	08/26/04	23.37
Blechman (working dinner meal @ Blackstone)	09/08/04	21.24
Blechman (meal while traveling)	09/13/04	18.12
Blechman (meal while traveling)	09/22/04	5.73
Blechman (meal while traveling)	09/27/04	4.75
Munfa (working dinner meal @ Blackstone)	08/17/04	17.78
Munfa (weekend working dinner meal @ Blackstone)	08/22/04	9.41
Munfa (working dinner meal @ Blackstone)	08/25/04	20.60
Munfa (working dinner meal @ Blackstone)	09/02/04	23.65
Munfa (working dinner meal @ Blackstone)	09/10/04	25.00
O'Connell (working dinner meal @ Blackstone)	08/23/04	25.00
O'Connell (working dinner meal @ Blackstone)	09/16/04	15.96
O'Connell (working dinner meal @ Blackstone)	09/28/04	25.00
Research - Drake (working dinner meal @ Blackstone)	09/01/04	24.00
Shinder (working dinner meal @ Blackstone)	08/25/04	25.00
<b>Subtotal - Meals</b>		<b>310.17</b>

**Internal Research**

Munfa (business purpose: general research)	10/02/04	89.07
Munfa (business purpose: general research)	09/25/04	218.60
O'Connell (business purpose: general research)	09/25/04	164.00
<b>Subtotal - Internal Research</b>		<b>471.67</b>

**W.R. Grace & Co.**  
**Detail of Expenses Processed**  
**October 31, 2004**  
**Invoice No. 6619-T**

**External Research****Dow Jones**

Munfa (business purpose: general research)	10/02/04	75.86
Munfa (business purpose: "10K" research)	10/10/04 - 10/16/04	<u>33.77</u>
	<b>Subtotal - Dow Jones</b>	<b>109.63</b>

**Factset**

Munfa (business purpose: SDC)	10/02/04	78.33
O'Connell (business purpose: general research)	09/25/04	<u>355.55</u>
	<b>Subtotal - Factset</b>	<b>433.88</b>

**Reuters Knowledge**

Munfa (business purpose: "WACC" analysis and general research)	10/02/04	127.80
Munfa (business purpose: "Comps" research)	10/10/04 - 10/16/04	15.04
Munfa (business purpose: "Yield" and general research)	09/25/04	<u>149.44</u>
	<b>Subtotal - Multex</b>	<b>292.28</b>

**Thomson Research**

Munfa (business purpose: "10K" research)	10/02/04	60.79
Munfa (business purpose: "10K" and "Comp" research)	10/10/04 - 10/16/04	35.88
Munfa (business purpose: general research)	09/25/04	<u>1.38</u>
	<b>Subtotal - Disclosure</b>	<b>98.05</b>

**P.A.C.E.R.**

de Almeida	09/02/04	6.44
de Almeida	09/03/04	2.38
de Almeida	09/22/04	2.31
de Almeida	09/22/04	<u>0.35</u>
	<b>Subtotal - P.A.C.E.R.</b>	<b>11.48</b>

	<b>Subtotal - External Research</b>	<b>945.32</b>
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**Communications****Telephone Conferencing**

Blechman	08/26/04	3.69
Blechman	08/30/04	11.97
Blechman	08/30/04	28.07
Blechman	09/01/04	6.59
Blechman	09/01/04	10.74
Blechman	09/14/04	<u>9.17</u>
	<b>Subtotal - Telephone Conferencing</b>	<b>70.23</b>

**Federal Express**

Otero	09/23/04	<u>19.83</u>
	<b>Subtotal - Federal Express</b>	<b>19.83</b>
	<b>Subtotal - Communications</b>	<b>90.06</b>
	<b>Total Expenses</b>	<b>\$ 3,635.27</b>

THE BLACKSTONE GROUP L.P.  
SUMMARY OF HOURS  
OCTOBER 1, 2004 - OCTOBER 31, 2004

Professional	Title	Hours
Pamela Zilly	Senior Managing Director	149.8
David Blechman	Vice President	165.9
James O'Connell	Associate	90.6
James Paul Munfa	Analyst	33.0
		<u><u>439.3</u></u>

THE BLACKSTONE GROUP L.P.  
 HOURLY DETAIL FOR THE PERIOD OF  
 OCTOBER 1, 2004 - OCTOBER 31, 2004

Professional	Date	Hours	Category	Explanation
Pamela Zilly	10/26/04	1.5	Business Analysis	Review latest monthly operating reports
Pamela Zilly	10/27/04	1.0	Business Analysis	Review correspondence and provide comments on repatriation process
		<hr/> <u>2.5</u>		

THE BLACKSTONE GROUP L.P.  
HOURLY DETAIL FOR THE PERIOD OF  
OCTOBER 1, 2004 - OCTOBER 31, 2004

Professional	Date	Hours	Category	Explanation
David Blechman	10/19/04	0.5	Case Administration	Review Court filings
Pamela Zilly	10/29/04	1.0	Case Administration	Read Court filings

THE BLACKSTONE GROUP L.P.  
 HOU  
 RLY DETAIL FOR THE PERIOD OF  
 OCTOBER 1, 2004 - OCTOBER 31, 2004

Professional	Date	Hours	Category	Explanation
David Blechman	10/05/04	0.5	Committee	Respond to CIBC due diligence requests
David Blechman	10/06/04	2.0	Committee	Revisions to valuation analysis
David Blechman	10/07/04	1.5	Committee	POR call with Grace management, counsel
Pamela Zilly	10/15/04	0.5	Committee	Call with S. Cunningham and C. Troyer re: status of filing
David Blechman	10/18/04	1.0	Committee	Calls with Capstone regarding POR
John O'Connell	10/19/04	1.0	Committee	Conference call with Capstone regarding new structure
David Blechman	10/19/04	1.0	Committee	Calls with Capstone, Siegel, Tarola re Capstone due diligence
Pamela Zilly	10/20/04	1.0	Committee	Call with D. Siegel, R. Tarola, Unsecured Creditors Committee's advisor
Pamela Zilly	10/20/04	1.0	Committee	Call with D. Siegel, R. Tarola, Equity Committee chairman
David Blechman	10/20/04	0.5	Committee	Prepare for call with Strock
David Blechman	10/20/04	1.0	Committee	Call with Strock and Capstone re: settlement proposal
John O'Connell	10/21/04	3.0	Committee	Meeting with Equity Committee Chair and legal counsel
Pamela Zilly	10/21/04	1.0	Committee	Conference call with CDG.
David Blechman	10/27/04	0.8	Committee	Calls with Siegel, Tarola regarding CDG information request
David Blechman	10/27/04	1.0	Committee	Call with CDG re: settlement proposal
David Blechman	10/28/04	0.5	Committee	Call with G. Boyer re: settlement proposal
Pamela Zilly	10/28/04	1.5	Committee	Conference call with financial advisors fro ACC, PD, FCR
John O'Connell	10/28/04	0.8	Committee	Prepare for call with ACC
David Blechman	10/28/04	1.5	Committee	Call with ACC, PD, FCR financial advisors re: settlement proposal
David Blechman	10/28/04	0.5	Committee	Call with Conway del Genio re: settlement proposal
		<u>21.5</u>		

THE BLACKSTONE GROUP L.P.  
HOURLY DETAIL FOR THE PERIOD OF  
OCTOBER 1, 2004 - OCTOBER 31, 2004

Professional	Date	Hours	Category	Explanation
Pamela Zilly	10/07/04	1.0 1.0	Financing	Discuss w/ D. Blechman and review FOR model re: 524(e) structure

THE BLACKSTONE GROUP L.P.  
HOURLY DETAIL FOR THE PERIOD OF  
OCTOBER 1, 2004 - OCTOBER 31, 2004

Professional	Date	Hours	Category	Explanation
Pamela Zilly	10/21/04	2.0	Non-Working Travel Time	Travel to Columbia
Pamela Zilly	10/21/04	2.0	Non-Working Travel Time	Travel to New York

Professional	Date	Hours
Pamela Zilly	10/21/04	2.0
Pamela Zilly	10/21/04	4.0

THE BLACKSTONE GROUP L.P.  
 HOURLY DETAIL FOR THE PERIOD OF  
 OCTOBER 1, 2004 - OCTOBER 31, 2004

Professional	Date	Hours	Category	Explanation
Pamela Zilly	10/01/04	1.0	Other	Read memos re: proposed restrictions on stock and warrant trading
Pamela Zilly	10/07/04	1.0	Other	Read documents re: trading restrictions
Pamela Zilly	10/07/04	1.5	Other	Call with Grace management, counsel re: PQR structure, documents
Pamela Zilly	10/08/04	0.5	Other	Review trading restrictions motion
David Blechman	10/08/04	1.0	Other	Prepare Board materials
Pamela Zilly	10/11/04	2.5	Other	Further revisions to Best Interests Test
David Blechman	10/11/04	1.3	Other	Participate in Board of Directors meeting (call-in)
Pamela Zilly	10/12/04	1.0	Other	Call on trading restriction motion
Pamela Zilly	10/27/04	1.0	Other	Discussion with E. Filion, Tarola, Shelnitz, Siegel re: trading restrictions
John-Paul Munfa	10/27/04	3.0	Other	Opinion market research
John-Paul Munfa	10/28/04	3.0	Other	Opinion market research
David Blechman	10/28/04	1.5	Other	Conference call with Shelnitz, Norris, Tarola, Maynes regarding trading restrictions
David Blechman	10/28/04	1.0	Other	Research exchange-traded options
Pamela Zilly	10/29/04	2.0	Other	Discussion with Tarola, Filion, Siegel with respect to trading restrictions
David Blechman	10/29/04	0.5	Other	Call with Filion regarding trading restrictions
David Blechman	10/29/04	1.0	Other	Calls with B. Tarola re same
		<u>22.8</u>		

**THE BLACKSTONE GROUP L.P.**  
**HOURLY DETAIL FOR THE PERIOD OF**  
**OCTOBER 1, 2004 - OCTOBER 31, 2004**

Professional	Date	Hours	Category	Explanation
Pamela Zilly	10/01/04	2.5	Plan and Disclosure Statement	Read and provide markup of Disclosure Statement
Pamela Zilly	10/01/04	1.0	Plan and Disclosure Statement	Review revised POR model re: debt issuance and taxes
Pamela Zilly	10/01/04	2.0	Plan and Disclosure Statement	Prepare Best Interest Test analysis
Pamela Zilly	10/01/04	1.0	Plan and Disclosure Statement	Call with B. Spiegel, D. Blechman re: Best Interest Test
Pamela Zilly	10/01/04	0.5	Plan and Disclosure Statement	Read correspondence (T. Delbruge, M. Shelnitz, J. Baer) re: accrued interest
John O'Connell	10/01/04	4.0	Plan and Disclosure Statement	Financial model capital structure sensitivity analysis
David Blechman	10/01/04	4.0	Plan and Disclosure Statement	Review and provide comments on plan documents
David Blechman	10/01/04	1.0	Plan and Disclosure Statement	Call with P. Zilly, B. Spiegel re: Plan documents and Best Interests Test
David Blechman	10/01/04	1.0	Plan and Disclosure Statement	Review management operating and POR model
John O'Connell	10/02/04	3.5	Plan and Disclosure Statement	Updating model for revised management projections
Pamela Zilly	10/03/04	1.5	Plan and Disclosure Statement	Review revised POR model and projections
Pamela Zilly	10/03/04	3.0	Plan and Disclosure Statement	Prepare class reconciliation re: Best Interests Test, latest POR model
John O'Connell	10/03/04	0.5	Plan and Disclosure Statement	Call with P. Zilly, D. Blechman re: valuation and POR model
John O'Connell	10/03/04	3.5	Plan and Disclosure Statement	Analysis of new management projections
Pamela Zilly	10/04/04	0.5	Plan and Disclosure Statement	Review revised POR model
Pamela Zilly	10/04/04	1.5	Plan and Disclosure Statement	Meeting with P. Norris re: POR issues
Pamela Zilly	10/04/04	3.5	Plan and Disclosure Statement	Meeting with D. Blechman, J. O'Connell, P. Norris, R. Tarola re: revise projections, POR model, pro forma assumptions re claims
Pamela Zilly	10/04/04	0.5	Plan and Disclosure Statement	Call with D. Blechman, T. Delbruge, J. Baer re: environmental claims
John O'Connell	10/04/04	3.5	Plan and Disclosure Statement	Financial model/claims meeting with P. Norris, B. Tarola, P. Zilly and D. Blechman
John O'Connell	10/04/04	3.0	Plan and Disclosure Statement	Structural revisions to financial model
David Blechman	10/04/04	3.5	Plan and Disclosure Statement	Meeting with P. Norris and B. Tarola regarding POR structure, projections, claims
David Blechman	10/04/04	1.5	Plan and Disclosure Statement	Revise POR model
David Blechman	10/04/04	0.5	Plan and Disclosure Statement	Call with P. Zilly, J. Baer, T. Delbruge regarding environmental claims
David Blechman	10/04/04	1.5	Plan and Disclosure Statement	Meetings with J. O'Connell regarding model
David Blechman	10/04/04	1.0	Plan and Disclosure Statement	Read draft POR
Pamela Zilly	10/05/04	1.5	Plan and Disclosure Statement	Call with Grace management, counsel re: POR structure, documents review
Pamela Zilly	10/05/04	0.5	Plan and Disclosure Statement	Call with R. Tarola re: projections write-up
Pamela Zilly	10/05/04	1.0	Plan and Disclosure Statement	Read and provide comments on Plan of Reorganization
Pamela Zilly	10/05/04	0.5	Plan and Disclosure Statement	Meeting with D. Blechman re: status of analyses
Pamela Zilly	10/05/04	2.0	Plan and Disclosure Statement	Read and provide comments on Disclosure Statement
John O'Connell	10/05/04	2.5	Plan and Disclosure Statement	Structural revisions to financial model
John O'Connell	10/05/04	2.5	Plan and Disclosure Statement	Revisions to minimum cash and debt analysis of financial model
John O'Connell	10/05/04	4.0	Plan and Disclosure Statement	Revisions to opening balance sheet and analysis of projections
John O'Connell	10/05/04	1.0	Plan and Disclosure Statement	Conference call with D. Blechman and B. Tarola regarding projections
David Blechman	10/05/04	2.0	Plan and Disclosure Statement	Review revised model
David Blechman	10/05/04	1.5	Plan and Disclosure Statement	POR call with Grace management, counsel
David Blechman	10/05/04	0.5	Plan and Disclosure Statement	Review claim categories for Best Interests Test
David Blechman	10/05/04	5.0	Plan and Disclosure Statement	Make revisions to POR model, calls with B. Tarola regarding same
David Blechman	10/05/04	0.5	Plan and Disclosure Statement	Meeting with P. Zilly re: status of POR model
David Blechman	10/05/04	2.5	Plan and Disclosure Statement	Work on tax assumptions, claims, calls with management (Filon, Tarola, Delbruge, Corcoran) regarding same
David Blechman	10/06/04	2.0	Plan and Disclosure Statement	Inserting dynamic options exercised and options proceeds calculations in the financial model
Pamela Zilly	10/06/04	1.5	Plan and Disclosure Statement	Revisions to presentation financial statements in model
David Blechman	10/06/04	0.5	Plan and Disclosure Statement	Work with B. Tarola on model, revise for payment and funding assumptions
David Blechman	10/06/04	1.5	Plan and Disclosure Statement	Respond to Tersigni due diligence requests
John O'Connell	10/06/04	1.5	Plan and Disclosure Statement	Structure comparison of Chapter 7 liquidation and chapter 11 reorganization for Best Interest Test
John O'Connell	10/06/04	1.0	Plan and Disclosure Statement	Conference call with D. Blechman and B. Tarola regarding projections
John O'Connell	10/06/04	3.0	Plan and Disclosure Statement	Call with R. Tarola, lender re: exit financing
David Blechman	10/06/04	5.0	Plan and Disclosure Statement	Call with T. Freedman re: Plan structure
David Blechman	10/06/04	0.5	Plan and Disclosure Statement	Adjustments to financial model, including structural changes o cash flow
David Blechman	10/07/04	3.0	Plan and Disclosure Statement	Call with M. Berkin
Pamela Zilly	10/07/04	2.0	Plan and Disclosure Statement	
John O'Connell	10/07/04	0.5	Plan and Disclosure Statement	
John O'Connell	10/07/04	5.5	Plan and Disclosure Statement	
David Blechman	10/07/04	0.8	Plan and Disclosure Statement	

**THE BLACKSTONE GROUP L.P.**  
**HOURLY DETAIL FOR THE PERIOD OF**  
**OCTOBER 1, 2004 - OCTOBER 31, 2004**

Professional	Date	Hours	Category	Explanation
David Blechman	10/07/04	2.5	Plan and Disclosure Statement	Revisions to financial model, financial exhibit write-up, valuation
David Blechman	10/07/04	5.0	Plan and Disclosure Statement	Calls with Tarola, Delbruge regarding projections, tax assumptions; revisions to POR model
David Blechman	10/07/04	2.5	Plan and Disclosure Statement	Various calls with B. Spiegel, D. Siegel, L. Sinanyan, M. Shenitz re: POR structure
David Blechman	10/07/04	1.0	Plan and Disclosure Statement	Meeting with P. Zilly re: POR structure revisions
David Blechman	10/08/04	1.0	Plan and Disclosure Statement	Meeting with D. Blechman re: revised POR model and structure
Pamela Zilly	10/08/04	1.0	Plan and Disclosure Statement	Calls with T. Freedman, D. Siegel, B. Spiegel re: Plan structure
Pamela Zilly	10/08/04	1.5	Plan and Disclosure Statement	Read Plan documents
Pamela Zilly	10/08/04	3.0	Plan and Disclosure Statement	Review revised POR model
Pamela Zilly	10/08/04	0.8	Plan and Disclosure Statement	Plan and Disclosure Statement
Pamela Zilly	10/08/04	0.5	Plan and Disclosure Statement	Review specific drafting questions from L. Sinanyan
Pamela Zilly	10/08/04	1.0	Plan and Disclosure Statement	Meeting with P. Zilly regarding plan, valuation
David Blechman	10/08/04	2.5	Plan and Disclosure Statement	Check financial exhibits to Disclosure Statement
Pamela Zilly	10/09/04	5.0	Plan and Disclosure Statement	Prepare Best Interest Test write-up, review valuation analysis; review revised POR model and claims reconciliation
Pamela Zilly	10/09/04	2.0	Plan and Disclosure Statement	Read and provide comments on Plan documents
Pamela Zilly	10/10/04	6.0	Plan and Disclosure Statement	Rewrite reorganization value section for Disclosure Statement; prepare liquidation analysis
David Blechman	10/10/04	4.0	Plan and Disclosure Statement	Review Plan and Disclosure Statement documents, inc. exhibits
Pamela Zilly	10/11/04	1.0	Plan and Disclosure Statement	Call with Grace management, counsel re: POR filing
Pamela Zilly	10/11/04	1.5	Plan and Disclosure Statement	Attend (by phone) Board of Directors meeting
Pamela Zilly	10/11/04	1.5	Plan and Disclosure Statement	Further revisions to POR Model; treatment of claims
Pamela Zilly	10/11/04	0.8	Plan and Disclosure Statement	Meeting with D. Blechman re: status of financial exhibits
David Blechman	10/11/04	1.5	Plan and Disclosure Statement	Review/review POR model
David Blechman	10/11/04	1.0	Plan and Disclosure Statement	POR review call with Grace management, Counsel
David Blechman	10/11/04	0.8	Plan and Disclosure Statement	Status meeting with P. Zilly
David Blechman	10/11/04	0.5	Plan and Disclosure Statement	Revised press release
David Blechman	10/11/04	3.5	Plan and Disclosure Statement	Calls with Tarola, Filion regarding projections
David Blechman	10/11/04	2.0	Plan and Disclosure Statement	Revise projections
David Blechman	10/11/04	2.0	Plan and Disclosure Statement	Review plan documents
Pamela Zilly	10/12/04	1.5	Plan and Disclosure Statement	Call with Grace management, counsel re: POR structure, document
Pamela Zilly	10/12/04	1.0	Plan and Disclosure Statement	Review revised model
Pamela Zilly	10/12/04	4.0	Plan and Disclosure Statement	Revisions to reorganization value and best interests test, write-up
Pamela Zilly	10/12/04	0.5	Plan and Disclosure Statement	Calls with Tarola, Filion re: same
Pamela Zilly	10/12/04	2.0	Plan and Disclosure Statement	Review documents
David Blechman	10/12/04	1.0	Plan and Disclosure Statement	Provide comments on press release
David Blechman	10/12/04	1.5	Plan and Disclosure Statement	POR status call with Grace management, counsel
David Blechman	10/12/04	2.0	Plan and Disclosure Statement	Review liquidation analysis
David Blechman	10/12/04	0.5	Plan and Disclosure Statement	Call regarding trading motion
David Blechman	10/12/04	4.0	Plan and Disclosure Statement	Review/review best interests test analysis, meetings with P. Zilly regarding same
Pamela Zilly	10/13/04	2.5	Plan and Disclosure Statement	Calls with D. Siegel, E. Filion, E. Leibenstein, P. Norris re: POR structure revisions
Pamela Zilly	10/13/04	2.0	Plan and Disclosure Statement	Review revisions to all documents and exhibits
Pamela Zilly	10/13/04	2.5	Plan and Disclosure Statement	Conference call to review documents (Tarola, Shenitz, Spiegel, Siegel, Sinanyan, Norris)
Pamela Zilly	10/13/04	2.5	Plan and Disclosure Statement	Revisions to Best Interest Test, liquidation write-up, reorg value write-up, meeting with D. Blechman re: same
David Blechman	10/13/04	3.0	Plan and Disclosure Statement	Review/review best interests test, meetings with P. Zilly regarding same
Pamela Zilly	10/13/04	3.0	Plan and Disclosure Statement	Status calls with Siegel, Spiegel, Sinanyan, Tarola re: pro forma assumptions, projections
David Blechman	10/13/04	1.5	Plan and Disclosure Statement	Update to POR model
David Blechman	10/13/04	2.5	Plan and Disclosure Statement	Call with Shenitz, Siegel, Spiegel, Sinanyan, Tarola re: documents review
David Blechman	10/13/04	4.0	Plan and Disclosure Statement	Review plan and disclosure statement financial exhibits
Pamela Zilly	10/14/04	2.0	Plan and Disclosure Statement	Review documents
Pamela Zilly	10/14/04	2.0	Plan and Disclosure Statement	Document review call (Tarola, Norris, Siegel, Spiegel, Sinanyan)
Pamela Zilly	10/14/04	2.0	Plan and Disclosure Statement	Revisions to model and projections
Pamela Zilly	10/14/04	6.0	Plan and Disclosure Statement	Continued revisions to all documents and exhibits
Pamela Zilly	10/14/04	0.5	Plan and Disclosure Statement	Call with Baer re: financial summary write-up
Pamela Zilly	10/14/04	0.5	Plan and Disclosure Statement	Call with M. Shenitz re: financial summary write-up
Pamela Zilly	10/14/04	1.5	Plan and Disclosure Statement	Markup up pages for Disclosure Statement changes
Pamela Zilly	10/14/04	0.5	Plan and Disclosure Statement	Review final version of financial summary write-up

**THE BLACKSTONE GROUP L.P.**  
**HOURLY DETAIL FOR THE PERIOD OF**  
**OCTOBER 1, 2004 - OCTOBER 31, 2004**

Professional	Date	Hours	Category	Explanation
Pamela Zilly	10/14/04	0.5	Plan and Disclosure Statement	Call with J. Baer - comments to Best Interests Analysis
Pamela Zilly	10/14/04	0.5	Plan and Disclosure Statement	Review final version of Best interests analysis
Pamela Zilly	10/14/04	0.5	Plan and Disclosure Statement	Provide comments to press release
David Blechman	10/14/04	1.0	Plan and Disclosure Statement	Review projections
David Blechman	10/14/04	4.0	Plan and Disclosure Statement	Revisions to POR model, financial exhibits, calls with Tarola
David Blechman	10/14/04	1.0	Plan and Disclosure Statement	Prepare estimates by class
David Blechman	10/14/04	4.0	Plan and Disclosure Statement	Finalize plan and disclosure documents
Pamela Zilly	10/15/04	1.0	Plan and Disclosure Statement	Call with R. Tarola, D. Siegel, D. Blechman, J. O'Connell re: discussions with ACC, FCR
David Blechman	10/15/04	1.0	Plan and Disclosure Statement	Various calls with D. Siegel re: Unsecured Creditors Committee
Pamela Zilly	10/15/04	1.0	Plan and Disclosure Statement	Review analysis of settlement proposal
John O'Connell	10/15/04	1.0	Plan and Disclosure Statement	Call with P. Zilly, D. Blechman, Siegel, Tarola re: ACC, FCR discussions
John O'Connell	10/15/04	1.0	Plan and Disclosure Statement	Meeting with P. Zilly, D. Blechman re: proposal
David Blechman	10/15/04	5.0	Plan and Disclosure Statement	Analyze settlement proposal
Pamela Zilly	10/15/04	2.0	Plan and Disclosure Statement	Calls with management, P. Zilly regarding same
David Blechman	10/15/04	0.8	Plan and Disclosure Statement	Meeting with D. Blechman, J. O'Connell re: settlement proposal analysis
Pamela Zilly	10/18/04	1.0	Plan and Disclosure Statement	Review restructure alternatives for settlement proposal
Pamela Zilly	10/18/04	1.0	Plan and Disclosure Statement	Review restructure alternatives for settlement proposal
John O'Connell	10/18/04	0.8	Plan and Disclosure Statement	Meeting with P. Zilly, D. Blechman re: ACC, FCR, PD proposal
David Blechman	10/18/04	4.0	Plan and Disclosure Statement	Prepare analyses of settlement proposal, meetings with P. Zilly regarding same
Pamela Zilly	10/19/04	0.5	Plan and Disclosure Statement	Call with R. Tarola, D. Siegel: settlement proposal
Pamela Zilly	10/19/04	0.5	Plan and Disclosure Statement	Review analysis to be sent to Strook
Pamela Zilly	10/19/04	1.0	Plan and Disclosure Statement	Call with Norris, Tarola, Siegel re: proposal addendums
John O'Connell	10/19/04	1.0	Plan and Disclosure Statement	Conference call with B. Tarola and D. Siegel regarding new structure
John O'Connell	10/19/04	1.5	Plan and Disclosure Statement	Analysis of potential warrant issuance.
David Blechman	10/19/04	4.0	Plan and Disclosure Statement	Review revise analyses of settlement proposal, meetings with P. Zilly regarding same
Pamela Zilly	10/19/04	0.5	Plan and Disclosure Statement	Status meeting with J. O'Connell
Pamela Zilly	10/20/04	1.0	Plan and Disclosure Statement	Call with R. Tarola, D. Siegel: proposal addendums analysis
Pamela Zilly	10/20/04	2.0	Plan and Disclosure Statement	Review settlement restructure analysis
David Blechman	10/20/04	2.5	Plan and Disclosure Statement	Review POR analysis, calls with Tarola, Siegel regarding same
David Blechman	10/20/04	1.0	Plan and Disclosure Statement	Prepare indicative term sheet re: settlement proposal
Pamela Zilly	10/21/04	1.0	Plan and Disclosure Statement	Meeting with R. Tarola, D. Siegel, P. Norris, F. Festa
David Blechman	10/21/04	0.5	Plan and Disclosure Statement	Review press release
David Blechman	10/21/04	0.8	Plan and Disclosure Statement	Review POR financials
Pamela Zilly	10/22/04	1.0	Plan and Disclosure Statement	Call with Siegel, Tarola, Norris re: other company's developments, settlement proposal
Pamela Zilly	10/22/04	1.0	Plan and Disclosure Statement	Review warrant analysis
John O'Connell	10/22/04	4.5	Plan and Disclosure Statement	Updating POR model for September results.
David Blechman	10/22/04	3.5	Plan and Disclosure Statement	Call with Tarola regarding POR model and valuation; revisions to same
David Blechman	10/22/04	0.8	Plan and Disclosure Statement	Call with P. Zilly, D. Siegel re: settlement proposal
David Blechman	10/23/04	2.5	Plan and Disclosure Statement	Review projections reflecting proposed settlement
David Blechman	10/23/04	0.8	Plan and Disclosure Statement	Calls with J. O'Connell regarding same
John O'Connell	10/24/04	6.0	Plan and Disclosure Statement	Updating financial model for potential settlement terms
David Blechman	10/25/04	1.0	Plan and Disclosure Statement	Call with Tarola re: model - Blechman, O'Connell
David Blechman	10/25/04	1.0	Plan and Disclosure Statement	Call with P. Zilly, D. Blechman, B. Tarola regarding revised POR model
John O'Connell	10/25/04	4.0	Plan and Disclosure Statement	Updating financial model for potential settlement terms.
John O'Connell	10/25/04	1.8	Plan and Disclosure Statement	Calls with J. O'Connell and B. Tarola re projections
David Blechman	10/25/04	0.5	Plan and Disclosure Statement	Follow up with J. O'Connell
Pamela Zilly	10/26/04	0.8	Plan and Disclosure Statement	Meeting with D. Blechman, J. O'Connell, call with D. Siegel re: status
Pamela Zilly	10/26/04	2.0	Plan and Disclosure Statement	Review updated POR model
Pamela Zilly	10/26/04	0.5	Plan and Disclosure Statement	Read issues list
John O'Connell	10/26/04	0.8	Plan and Disclosure Statement	Conference call re status with P. Zilly, D. Blechman, D. Siegel
John O'Connell	10/26/04	2.0	Plan and Disclosure Statement	Updating financial model for potential settlement terms
John O'Connell	10/26/04	1.0	Plan and Disclosure Statement	Drafting term sheet and exhibit for potential settlement
David Blechman	10/26/04	0.8	Plan and Disclosure Statement	Status meeting with P. Zilly, call with D. Siegel

THE BLACKSTONE GROUP L.P.  
 HOURLY DETAIL FOR THE PERIOD OF  
 OCTOBER 1, 2004 - OCTOBER 31, 2004

Professional	Date	Hours	Category	Explanation
David Blechman	10/26/04	1.0	Plan and Disclosure Statement	Send draft revised projections
David Blechman	10/26/04	1.5	Plan and Disclosure Statement	Prepare Note term sheet and table
Pamela Zilly	10/27/04	1.5	Plan and Disclosure Statement	Review updated POR model and revised claims reconciliation
Pamela Zilly	10/27/04	0.5	Plan and Disclosure Statement	Meeting with D. Blechman re: status of settlement proposal
John O'Connell	10/27/04	3.5	Plan and Disclosure Statement	Updating financial model for potential settlement terms inc. discussions with D. Blechman
David Blechman	10/27/04	2.0	Plan and Disclosure Statement	Revise and distribute draft term sheet
David Blechman	10/27/04	0.8	Plan and Disclosure Statement	Calls with Tarola regarding model
David Blechman	10/27/04	0.8	Plan and Disclosure Statement	Meeting with J. O'Connell regarding same
David Blechman	10/27/04	0.5	Plan and Disclosure Statement	Status meetings with P. Zilly
Pamela Zilly	10/28/04	1.5	Plan and Disclosure Statement	Call with PL PD Committee's financial advisors re: settlement proposal
Pamela Zilly	10/28/04	0.5	Plan and Disclosure Statement	Call with B. Tarola re: follow-up
Pamela Zilly	10/28/04	3.0	Plan and Disclosure Statement	Meeting with E. Filon, call with R. Tarola, T. Maynes, M. Shelitz, P. Norris re: settlement proposal, tax issues, trading restrictions
John O'Connell	10/28/04	2.0	Plan and Disclosure Statement	Updating financial model for potential settlement terms
David Blechman	10/28/04	0.5	Plan and Disclosure Statement	Follow up with B. Tarola
John-Paul Munfa	10/29/04	2.0	Plan and Disclosure Statement	Warrant valuation research
John O'Connell	10/29/04	5.0	Plan and Disclosure Statement	Updating financial model for potential settlement terms inc. meeting with D. Blechman
David Blechman	10/29/04	3.5	Plan and Disclosure Statement	Work on model with J. O'Connell
		<u>330.9</u>		

**THE BLACKSTONE GROUP L.P.**  
**HOURLY DETAIL FOR THE PERIOD OF**  
**OCTOBER 1, 2004 - OCTOBER 31, 2004**

Professional	Date	Hours	Category	Explanation
Pamela Zilly	10/04/04	0.8	Tax Issues	Call with D. Blechman, E. Filon, T. Maynes, M. Shelnitz re: tax disclosure
David Blechman	10/04/04	0.8	Tax Issues	Call with P. Zilly, E. Filon, T. Maynes, M. Shelnitz re: tax questions
David Blechman	10/04/04	1.0	Tax Issues	Follow-up call with E. Filon regarding tax questions
Pamela Zilly	10/05/04	0.5	Tax Issues	Read tax disclosure language
Pamela Zilly	10/05/04	1.3	Tax Issues	Call with E. Filon, M. Shelnitz, T. Maynes, J. Beer re: NOL usage
David Blechman	10/06/04	1.0	Tax Issues	Call with E. Filon regarding tax
David Blechman	10/12/04	0.5	Tax Issues	Tax call with E. Filon
David Blechman	10/20/04	0.8	Tax Issues	Call with E. Filon regarding tax
David Blechman	10/28/04	2.0	Tax Issues	Meeting with E. Filon regarding tax issues and modeling
		<u>8.6</u>		

THE BLACKSTONE GROUP L.P.  
 HOURLY DETAIL FOR THE PERIOD OF  
 OCTOBER 1, 2004 - OCTOBER 31, 2004

Professional	Date	Hours	Category	Explanation
John O'Connell	10/01/04	2.5	Valuation	Valuation analysis based on updated equity values and revised management projections
David Blechman	10/01/04	4.0	Valuation	Update valuation analysis
John O'Connell	10/02/04	4.5	Valuation	Valuation analysis based on updated equity values and revised management projections
Pamela Zilly	10/03/04	2.0	Valuation	Review valuation analysis
Pamela Zilly	10/03/04	0.5	Valuation	Call with D. Blechman, J. O'Connell re: valuation, POR model
John-Paul Munfa	10/03/04	5.0	Valuation	Prepare valuation presentation
David Blechman	10/03/04	0.5	Valuation	Call with P. Zilly, J. O'Connell re: valuation
John-Paul Munfa	10/04/04	2.0	Valuation	Prepare valuation presentation
John-Paul Munfa	10/05/04	2.0	Valuation	Prepare valuation presentation
John-Paul Munfa	10/06/04	4.0	Valuation	Prepare valuation presentation
John O'Connell	10/06/04	3.5	Valuation	Valuation analysis of business value, tax benefits and non-core liabilities
John-Paul Munfa	10/07/04	2.0	Valuation	Prepare valuation presentation
John O'Connell	10/07/04	1.5	Valuation	Write up of valuation narrative for disclosure statement
John O'Connell	10/07/04	1.0	Valuation	Valuation analysis based on recent multiples
Pamela Zilly	10/08/04	1.5	Valuation	Review valuation and other material for Board presentation
John-Paul Munfa	10/12/04	2.5	Valuation	Prepare valuation presentation
John-Paul Munfa	10/13/04	2.0	Valuation	Prepare M&A comparable analysis
John-Paul Munfa	10/14/04	3.0	Valuation	Prepare valuation presentation
John-Paul Munfa	10/15/04	2.5	Valuation	Prepare valuation presentation
		46.5		

The Blackstone Group®

February 15, 2005

Mr. Paul J. Norris  
Chairman, President & CEO  
W.R. Grace & Co.  
7500 Grace Drive  
Columbia, Maryland 21044

Monthly advisory fee for the period of November 1, 2004 through November 30, 2004: \$ 175,000.00

Out-of-pocket expenses processed for the period through November 30, 2004:<sup>1</sup>

Ground Transportation	\$ 1,867.51
Communications	155.12
Legal	598.00
Meals & Lodging	918.15
Photocopying	11.55
Research	<u>819.14</u>
	<u>4,369.47</u>
<b>Total Due</b>	<b>\$ <u>179,369.47</u></b>

**Please wire transfer funds to:**

JP Morgan Chase  
One New York Plaza  
New York, NY 10017  
ABA# 021 000 021  
Credit Account: The Blackstone Group L.P.  
Account Receivable Dept. 14th Floor  
Account # 066-287472

Invoice Number: 6820

<sup>1</sup> Expenses incurred, but not yet processed due to timing differences will be billed at a later date.

**The Blackstone Group® L.P.**  
345 Park Avenue  
New York, NY 10154  
212 583-5000

**W.R. Grace & Co.**  
**Expense Summary**  
**Processed through**  
**November 30, 2004**  
**6820**

	<b>GL Detail</b>	
	<b>November-04</b>	<b>Total</b>
Ground Transportation - Car Service - Concord	324.87	<b>324.87</b>
Ground Transportation - Car Service - Elite	120.94	<b>120.94</b>
Ground Transportation - Local Travel	281.70	<b>281.70</b>
Ground Transportation - Railroad	1,140.00	<b>1,140.00</b>
Communications - Teleconferencing	83.12	<b>83.12</b>
Communications - Facsimile	72.00	<b>72.00</b>
Legal - Simpson Thacher	598.00	<b>598.00</b>
Employee Meals	700.39	<b>700.39</b>
Lodging	217.76	<b>217.76</b>
Internal Photocopying	11.55	<b>11.55</b>
External Research - Multex	254.31	<b>254.31</b>
External Research - Disclosure	97.54	<b>97.54</b>
External Research - Factset	66.01	<b>66.01</b>
External Research - Securities Data	401.28	<b>401.28</b>
<b>Total Expenses</b>	<b>\$ 4,369.47</b>	<b>\$ 4,369.47</b>

<b>Ground Transportation</b>	<b>1,867.51</b>
<b>Communications</b>	<b>155.12</b>
<b>Legal Expenses</b>	<b>598.00</b>
<b>Meals &amp; Lodging</b>	<b>918.15</b>
<b>Photocopying</b>	<b>11.55</b>
<b>Research</b>	<b>819.14</b>
 <b>Total Expenses</b>	 <b>\$ 4,369.47</b>

**W.R. Grace & Co.  
Expense Detail  
Processed through  
November 30, 2004  
6820**

**Ground Transportation****Car Service - Concord**

Blechman, David (car service to LaGuardia Airport in Queens, NY from home)	08/25/04	140.76
Blechman, David (car service home from White Plains Airport in White Plains, NY)	08/25/04	163.71
Feinsold, Mark (car service home from Blackstone)	10/12/04	20.40
	<b>Subtotal - Car Service - Concord</b>	<b>324.87</b>

**Car Service - Elite**

Zilly, Pamela (credit for waiting time)	09/15/04	(6.00)
Zilly, Pamela (car service to LaGuardia Airport in Queens, NY from Blackstone)	10/21/04	41.97
Zilly, Pamela (car service home from Newark Airport in Newark, NJ)	10/21/04	84.97
	<b>Subtotal - Car Service - Elite</b>	<b>120.94</b>

**Local Travel**

O'Connell, John (taxi home from Blackstone)	10/01/04	18.00
O'Connell, John (taxi to airport in Queens, NY from Blackstone)	10/04/04	18.00
O'Connell, John (taxi home from Blackstone)	10/05/04	16.00
O'Connell, John (taxi home from Blackstone)	10/06/04	16.00
O'Connell, John (taxi home from Blackstone)	10/07/04	15.00
O'Connell, John (taxi home from Blackstone)	10/19/04	16.00
O'Connell, John (taxi home from Blackstone)	10/26/04	16.00
O'Connell, John (taxi home from Blackstone)	10/27/04	16.00
O'Connell, John (taxi home from Blackstone)	10/28/04	17.00
O'Connell, John (taxi home from Blackstone)	10/30/04	17.00
O'Connell, John (taxi home from Blackstone)	10/30/04	18.00
Zilly, Pamela (taxi to client's offices in Columbia, MD from BWI Railroad Station)	09/21/04	40.00
Zilly, Pamela (taxi to client's offices in Columbia, MD from BWI Railroad Station)	11/17/04	23.70
Zilly, Pamela (taxi to BWI Railroad Station from client's offices in Columbia, MD)	11/17/04	35.00
	<b>Subtotal - Local Travel</b>	<b>281.70</b>

**Railroad**

Blechman, David (one-way trip to Baltimore, MD from New York, NY)	09/20/04	150.00
Blechman, David (round trip train service to/from Wilmington, DE from/to Stamford, CT)	09/23/04	234.00
O'Connell, John (round trip train service to/from Baltimore, MD from/to New York, NY)	09/20/04	302.00
Zilly, Pamela (round trip train service to/from Baltimore, MD from/to New York, NY)	08/23/04	314.00
Zilly, Pamela (one-way trip to Baltimore, MD from New York, NY)	09/21/04	140.00
	<b>Subtotal - Railroad</b>	<b>1,140.00</b>

	<b>Subtotal - Ground Transportation</b>	<b>1,867.51</b>
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**Communications****Communications - Teleconferencing**

Blechman, David	09/28/04	0.46
Blechman, David	10/01/04	19.57
Blechman, David	10/03/04	10.30
Blechman, David	10/07/04	36.35
Blechman, David	10/07/04	16.44
	<b>Subtotal - Communications - Teleconferencing</b>	<b>83.12</b>

**Communications - Facsimiles**

Bolger, Geraldine	10/01/04 - 10/31/04	72.00
	<b>Subtotal - Communications - Facsimiles</b>	<b>72.00</b>

	<b>Subtotal - Communications</b>	<b>155.12</b>
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**W.R. Grace & Co.  
Expense Detail  
Processed through  
November 30, 2004  
6820**

**Legal****Legal - Simpson Thacher**

Simpson Thacher & Bartlett (re: W.R. Grace Disclosure Statement)	10/05/04	<b>598.00</b>
	<b>Subtotal - Legal - Simpson Thacher</b>	<b>598.00</b>
	<b>Subtotal - Legal</b>	<b>598.00</b>

**Meals & Lodging****Employee Meals**

Blechman, David (working dinner meal @ Blackstone)	09/20/04	25.00
Blechman, David (working dinner meal @ Blackstone)	09/21/04	14.98
Blechman, David (working dinner meal @ Blackstone)	09/28/04	9.06
Blechman, David (working dinner meal @ Blackstone)	09/29/04	25.00
Blechman, David (catered breakfast meal for 6 people during client meeting held @ Blacsktone)	10/04/04	68.66
Blechman, David (working dinner meal @ Blackstone)	10/04/04	25.00
Blechman, David (working dinner meal @ Blackstone)	10/05/04	25.00
Blechman, David (working dinner meal @ Blackstone)	10/06/04	25.00
Blechman, David (working dinner meal @ Blackstone)	10/07/04	15.22
Blechman, David (working dinner meal @ Blackstone)	10/11/04	25.00
Blechman, David (working dinner meal @ Blackstone)	10/12/04	25.00
Blechman, David (working dinner meal @ Blackstone)	10/13/04	25.00
Blechman, David (working dinner meal @ Blackstone)	10/14/04	25.00
Blechman, David (catered lunch meal for 6 people during client meeting held @ Blacsktone)	10/28/04	118.35
Drake, Hadley (working dinner meal @ Blackstone)	11/05/04	25.00
Munfa, John-Paul (working dinner meal @ Blackstone)	10/03/04	25.00
Munfa, John-Paul (working dinner meal @ Blackstone)	10/07/04	25.00
Munfa, John-Paul (working dinner meal @ Blackstone)	10/14/04	25.00
O'Connell, John (working dinner meal @ Blackstone)	09/15/04	21.15
O'Connell, John (working dinner meal @ Blackstone)	09/20/04	25.00
O'Connell, John (working dinner meal @ Blackstone)	09/21/04	14.97
O'Connell, John (working dinner meal @ Blackstone)	09/22/04	25.00
O'Connell, John (working dinner meal @ Blackstone)	10/06/04	25.00
O'Connell, John (working dinner meal @ Blackstone)	10/07/04	8.69
O'Connell, John (working dinner meal @ Blackstone)	10/25/04	8.69
O'Connell, John (working dinner meal @ Blackstone)	10/30/04	9.74
Zilly, Pamela (working meal @ Blackstone)	10/04/04	4.75
Zilly, Pamela (working meal @ Blackstone)	10/14/04	6.13
	<b>Subtotal - Employee Meals</b>	<b>700.39</b>

**Lodging**

Zilly, Pamela (1 day hotel stay in Chicago, IL)	08/16/04 - 08/17/04	217.76
	<b>Subtotal - Lodging</b>	<b>217.76</b>

<b>Subtotal - Meals &amp; Lodging</b>	<b>918.15</b>
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**Photocopying****Internal Photocopying**

Blechman, David	11/15/04 - 11/21/04	11.55
	<b>Subtotal - Internal Photocopying</b>	<b>11.55</b>
	<b>Subtotal - Photocopying</b>	<b>11.55</b>

**Research****External Research - Multex**

Munfa, John-Paul (general research)	11/05/04	52.81
Munfa, John-Paul (comps research)	11/08/04 - 11/09/04	201.50
	<b>Subtotal - External Research - Multex</b>	<b>254.31</b>

**W.R. Grace & Co.**  
**Expense Detail**  
**Processed through**  
**November 30, 2004**  
**6820**

**External Research - Disclosure**

Munfa, John-Paul (comps research)	11/05/04	54.69
Munfa, John-Paul (comps research)	11/09/04	42.85
	<b>Subtotal - External Research - Disclosure</b>	<b>97.54</b>

**External Research - Factset**

Munfa, John-Paul (general research)	11/05/04	66.01
	<b>Subtotal - External Research - Factset</b>	<b>66.01</b>

**External Research - Securities Data**

Munfa, John-Paul (general research)	08/13/04	223.74
O'Connell, John (general research)	08/12/04	23.43
O'Connell, John (general research)	08/12/04	27.45
O'Connell, John (general research)	08/12/04	23.43
O'Connell, John (general research)	08/12/04	40.49
O'Connell, John (general research)	08/12/04	15.88
O'Connell, John (general research)	08/12/04	23.43
O'Connell, John (general research)	08/12/04	23.43
	<b>Subtotal - External Research - Securities Data</b>	<b>401.28</b>

**Subtotal - Research** **819.14**

**Total Expenses** **4,369.47**

THE BLACKSTONE GROUP L.P.  
SUMMARY OF HOURS  
NOVEMBER 1, 2004 - NOVEMBER 30, 2004

Professional	Title	Hours
Pamela Zilly	Senior Managing Director	98.4
David Blechman	Vice President	83.0
James O'Connell	Associate	49.0
James Paul Munfa	Analyst	<u>27.5</u> <u>257.9</u>

THE BLACKSTONE GROUP L.P.  
**HOURLY DETAIL FOR THE PERIOD OF**  
**NOVEMBER 1, 2004 - NOVEMBER 30, 2004**

Professional	Date	Hours	Category	Explanation
David Blechman	11/05/04	1.5	Business Analysis	Review Q3 briefing packet
Pamela Zilly	11/17/04	6.5	Business Analysis	Attend Catalyst business review meeting
David Blechman	11/19/04	4.0	Business Analysis	Review operating plan materials
Pamela Zilly	11/30/04	1.0	Business Analysis	Read Monthly Operating Reports
		<b><u>13.0</u></b>		

THE BLACKSTONE GROUP L.P.  
 HOURLY DETAIL FOR THE PERIOD OF  
 NOVEMBER 1, 2004 - NOVEMBER 30, 2004

Professional	Date	Hours	Category	Explanation
Pamela Zilly	11/01/04	0.8	Case Administration	Call with management and counsel re: trading restrictions
Pamela Zilly	11/01/04	1.0	Case Administration	Review and respond to correspondence re: shareholdings and trading restrictions
Pamela Zilly	11/01/04	1.0	Case Administration	Read Court Motions
Pamela Zilly	11/10/04	1.0	Case Administration	Read Court Motions
Pamela Zilly	11/30/04	1.0	Case Administration	Read Court Motions
		<u><b>4.8</b></u>		

THE BLACKSTONE GROUP L.P.  
 HOURLY DETAIL FOR THE PERIOD OF  
 NOVEMBER 1, 2004 - NOVEMBER 30, 2004

Professional	Date	Hours	Category	Explanation
Pamela Zilly	11/01/04	0.4	Committee	Call with J. Radecki re: status of proposal
David Blechman	11/05/04	1.0	Committee	Call with Capstone regarding POR
David Blechman	11/08/04	1.0	Committee	Participate in earnings call with R. Tarola and Committees' financial advisors
Pamela Zilly	11/08/04	0.8	Committee	Review financial briefing shared with Committees' financial advisors
Pamela Zilly	11/09/04	1.0	Committee	Call with P. Norris re: Capstone
Pamela Zilly	11/09/04	1.0	Committee	Calls with Capstone re: proposal
Pamela Zilly	11/10/04	1.0	Committee	Calls with Capstone re: FCR proposal
Pamela Zilly	11/17/04	1.0	Committee	Respond to due diligence requests from creditor advisors
David Blechman		<u><u>7.2</u></u>		

THE BLACKSTONE GROUP L.P.  
 HOURLY DETAIL FOR THE PERIOD OF  
 NOVEMBER 1, 2004 - NOVEMBER 30, 2004

Professional	Date	Hours	Category	Explanation
David Blechman	11/13/04	1.5	Fee Applications	Work on fee application
David Blechman	11/15/04	1.0	Fee Applications	Work on fee application
David Blechman	11/19/04	0.3	Fee Applications	Prepare fee application
Pamela Zilly	11/22/04	2.0	Fee Applications	Prepare fee application
David Blechman	11/24/04	0.8	Fee Applications	Work on fee application
		<u><b>5.5</b></u>		

THE BLACKSTONE GROUP L.P.  
 HOURLY DETAIL FOR THE PERIOD OF  
 NOVEMBER 1, 2004 - NOVEMBER 30, 2004

Professional	Date	Hours	Category	Explanation
Pamela Zilly	11/15/04	2.0 <u><u>2.0</u></u>	Hearings	Attend Court hearing by phone

THE BLACKSTONE GROUP L.P.  
 HOURLY DETAIL FOR THE PERIOD OF  
 NOVEMBER 1, 2004 - NOVEMBER 30, 2004

Professional	Date	Hours	Category	Explanation
Pamela Zilly	11/17/04	3.0	Non-Working Travel Time	Travel to Columbia, Maryland
Pamela Zilly	11/17/04	<u>2.5</u>	Non-Working Travel Time	Travel to New York
		<u><u>5.5</u></u>		

THE BLACKSTONE GROUP L.P.  
**HOURLY DETAIL FOR THE PERIOD OF  
NOVEMBER 1, 2004 - NOVEMBER 30, 2004**

Professional	Date	Hours	Category	Explanation
David Blechman	11/01/04	1.0	Plan and Disclosure Statement	Call with D. Siegel, ACC representatives, FCR re: proposal
David Blechman	11/01/04	2.5	Plan and Disclosure Statement	Follow-up analysis re: same
JP Munfa	11/01/04	6.5	Plan and Disclosure Statement	Warrants Pricing Research
Pamela Zilly	11/01/04	1.0	Plan and Disclosure Statement	Call with financial advisors and principals re: proposal
David Blechman	11/02/04	2.0	Plan and Disclosure Statement	Weekly status calls, follow-up with P. Zilly and J. O'Connell
David Blechman	11/02/04	1.0	Plan and Disclosure Statement	Calls with R. Tarola, J. O'Connell regarding model
David Blechman	11/02/04	1.0	Plan and Disclosure Statement	Plan of reorganization conference call
David Blechman	11/02/04	1.0	Plan and Disclosure Statement	Valuation analysis of securities potentially issued in reorganization
David Blechman	11/02/04	1.0	Plan and Disclosure Statement	Call with R. Tarola and D. Blechman regarding model updates
David Blechman	11/02/04	5.0	Plan and Disclosure Statement	Financial modeling
David Blechman	11/02/04	1.0	Plan and Disclosure Statement	POR review call with management and counsel
David Blechman	11/02/04	0.5	Plan and Disclosure Statement	Review Filson's comments on Warrant term sheet
David Blechman	11/02/04	1.5	Plan and Disclosure Statement	Revised updated POR Model
David Blechman	11/03/04	1.0	Plan and Disclosure Statement	Call with R. Tarola regarding model updates
David Blechman	11/03/04	3.5	Plan and Disclosure Statement	Revise POR model
David Blechman	11/03/04	0.5	Plan and Disclosure Statement	Call with J. Sinclair re: ACC's POR proposal
David Blechman	11/03/04	1.5	Plan and Disclosure Statement	Draft description of Terisigni proposal
David Blechman	11/03/04	1.0	Plan and Disclosure Statement	Review revised POR Model
David Blechman	11/04/04	0.8	Plan and Disclosure Statement	Status call with P. Zilly re: ACC
David Blechman	11/04/04	3.0	Plan and Disclosure Statement	Work on revising POR model with J. O'Connell
David Blechman	11/04/04	3.0	Plan and Disclosure Statement	Financial modeling with D. Blechman
David Blechman	11/04/04	2.0	Plan and Disclosure Statement	Financial modeling
David Blechman	11/04/04	0.8	Plan and Disclosure Statement	Review correspondence re: Austern status and call with D. Siegel re: same
David Blechman	11/04/04	1.0	Plan and Disclosure Statement	Review revised POR Model
David Blechman	11/04/04	0.8	Plan and Disclosure Statement	Call with D. Blechman to update on FCR, ACC discussions
David Blechman	11/05/04	1.5	Plan and Disclosure Statement	Status call with company re: ACC, FCR
David Blechman	11/05/04	4.0	Plan and Disclosure Statement	Work on revising model with J. O'Connell
David Blechman	11/05/04	1.5	Plan and Disclosure Statement	Call with senior management re: ACC, FCR
David Blechman	11/05/04	4.0	Plan and Disclosure Statement	Financial modeling with D. Blechman
JP Munfa	11/05/04	1.5	Plan and Disclosure Statement	Warrants Pricing Research
Pamela Zilly	11/05/04	0.5	Plan and Disclosure Statement	Review revised POR Model
Pamela Zilly	11/05/04	1.5	Plan and Disclosure Statement	Call with management re: status of ACC
Pamela Zilly	11/08/04	0.5	Plan and Disclosure Statement	Status meeting with J. O'Connell
David Blechman	11/08/04	1.0	Plan and Disclosure Statement	Call with R. Tarola regarding projections
David Blechman	11/08/04	3.0	Plan and Disclosure Statement	Revise projections and valuation
David Blechman	11/08/04	1.0	Plan and Disclosure Statement	Quarterly earnings conference call
David Blechman	11/08/04	0.5	Plan and Disclosure Statement	Call with management regarding financial projections
David Blechman	11/08/04	0.5	Plan and Disclosure Statement	Status meeting with D. Blechman

**THE BLACKSTONE GROUP L.P.**  
**HOURLY DETAIL FOR THE PERIOD OF**  
**NOVEMBER 1, 2004 - NOVEMBER 30, 2004**

Professional	Date	Hours	Category	Explanation
Jamie O'Connell	11/08/04	3.0	Plan and Disclosure Statement	Revise financial model for projections
Pamela Zilly	11/08/04	0.5	Plan and Disclosure Statement	Call with R. Tarola re: financial statements
David Blechman	11/09/04	4.0	Plan and Disclosure Statement	Review/review plan documents
Jamie O'Connell	11/09/04	1.0	Plan and Disclosure Statement	Revise financial model
Jamie O'Connell	11/09/04	1.0	Plan and Disclosure Statement	Call with R. Tarola regarding financial model
Jamie O'Connell	11/09/04	0.5	Plan and Disclosure Statement	Review of valuation section of disclosure statement
Pamela Zilly	11/09/04	3.0	Plan and Disclosure Statement	Review revised POR model, Best Interest Test and other POR documents
David Blechman	11/10/04	2.0	Plan and Disclosure Statement	Status meetings with P. Zilly
David Blechman	11/10/04	2.5	Plan and Disclosure Statement	Review plan documents
David Blechman	11/10/04	1.5	Plan and Disclosure Statement	POR status call with management and counsel
David Blechman	11/10/04	2.3	Plan and Disclosure Statement	Review projections
David Blechman	11/10/04	3.0	Plan and Disclosure Statement	Review and provide comments on plan documents
Jamie O'Connell	11/10/04	1.0	Plan and Disclosure Statement	Disclosure statement conference call with management and counsel
Jamie O'Connell	11/10/04	3.0	Plan and Disclosure Statement	Financial modeling
Pamela Zilly	11/10/04	1.0	Plan and Disclosure Statement	Review revised POR model
Pamela Zilly	11/10/04	1.5	Plan and Disclosure Statement	Call with management, counsel re: FCR proposal
Pamela Zilly	11/10/04	2.5	Plan and Disclosure Statement	Read draft Disclosure Statement
Pamela Zilly	11/10/04	1.5	Plan and Disclosure Statement	Calls with management re: response to FCR proposal
Pamela Zilly	11/10/04	2.0	Plan and Disclosure Statement	Meetings with D. Blechman to review claims treatment, Best Interests Test
Pamela Zilly	11/10/04	2.5	Plan and Disclosure Statement	Review, provide comments re: revised POR documents
David Blechman	11/11/04	2.0	Plan and Disclosure Statement	Review and mark up plan documents and financial exhibits
David Blechman	11/11/04	1.5	Plan and Disclosure Statement	Calls with K. Blood regarding financial exhibit, follow up
David Blechman	11/11/04	3.0	Plan and Disclosure Statement	All hands call regarding documents
David Blechman	11/11/04	3.0	Plan and Disclosure Statement	Review/review documents, meetings with P. Zilly regarding same
David Blechman	11/11/04	1.0	Plan and Disclosure Statement	Status call with committee
Pamela Zilly	11/11/04	1.0	Plan and Disclosure Statement	Prepare for document review call
Pamela Zilly	11/11/04	1.5	Plan and Disclosure Statement	Prepare claims reconciliation - books/POR treatment
Pamela Zilly	11/11/04	2.5	Plan and Disclosure Statement	Document review call with Norris, Shelnitz, Siegel, Tarola, Baer, Spiegel, Sinanyan
Pamela Zilly	11/11/04	3.0	Plan and Disclosure Statement	Review disclosure statement, best interest analysis, claims reconciliation
Pamela Zilly	11/11/04	1.0	Plan and Disclosure Statement	Call with management re: status of Unsecured Creditors Committee
Pamela Zilly	11/11/04	1.5	Plan and Disclosure Statement	Various calls with P. Norris re: Unsecured Creditors, Equity Committee position
Pamela Zilly	11/11/04	1.0	Plan and Disclosure Statement	Meetings with D. Blechman re: documents, analysis
David Blechman	11/12/04	2.0	Plan and Disclosure Statement	Review and mark up disclosure statement sections and financial exhibits
David Blechman	11/12/04	1.8	Plan and Disclosure Statement	Status calls w/management
David Blechman	11/12/04	0.8	Plan and Disclosure Statement	Prepare for call w/Capstone
David Blechman	11/12/04	0.8	Plan and Disclosure Statement	Calls w/Capstone re: treatment of unsecured claims
David Blechman	11/12/04	3.0	Plan and Disclosure Statement	Analysis of accrued interest, revise POR model
Jamie O'Connell	11/12/04	4.0	Plan and Disclosure Statement	Revise POR model

THE BLACKSTONE GROUP L.P.  
 HOURLY DETAIL FOR THE PERIOD OF  
 NOVEMBER 1, 2004 - NOVEMBER 30, 2004

Professional	Date	Hours	Category	Explanation
Pamela Zilly	11/12/04	2.0	Plan and Disclosure Statement	Document review call
Pamela Zilly	11/12/04	2.0	Plan and Disclosure Statement	Various calls with P. Norris re: Unsecured Committee position
Pamela Zilly	11/12/04	2.0	Plan and Disclosure Statement	Read and provide comments on POR documents
Pamela Zilly	11/12/04	1.0	Plan and Disclosure Statement	Call with P. Norris, M. Shehnitz, R. Tarola re: accrued interest
Pamela Zilly	11/12/04	0.5	Plan and Disclosure Statement	Call with B. Spiegel re: claims
Pamela Zilly	11/12/04	0.5	Plan and Disclosure Statement	Call with B. Spiegel, A. Krieger re: accrued interest
Pamela Zilly	11/12/04	0.5	Plan and Disclosure Statement	Call with D. Blechman, J. O'Connell, R. Tarola re: revise model for accrued interest
Pamela Zilly	11/12/04	0.5	Plan and Disclosure Statement	Check revised POR model
Pamela Zilly	11/12/04	2.0	Plan and Disclosure Statement	Calls with P. Zilly, R. Tarola, B. Spiegel, L. Sinanyan regarding POR and related docs
Pamela Zilly	11/13/04	4.5	Plan and Disclosure Statement	Calls with P. Zilly re: latest analysis
David Blechman	11/13/04	1.0	Plan and Disclosure Statement	Finalize POR model, valuation, NOLs
David Blechman	11/13/04	1.0	Plan and Disclosure Statement	Conference call regarding plan of reorganization
David Blechman	11/13/04	1.0	Plan and Disclosure Statement	Calls with D. Blechman re: revised POR model
David Blechman	11/13/04	1.0	Plan and Disclosure Statement	Check revised POR model re: Best Interest Test
David Blechman	11/13/04	1.0	Plan and Disclosure Statement	Call with B. Spiegel, L. Sinanyan, R. Tarola re: accrued interest definition
David Blechman	11/13/04	0.5	Plan and Disclosure Statement	Prepare claims reconciliation
David Blechman	11/13/04	1.0	Plan and Disclosure Statement	Review POR documents
David Blechman	11/13/04	1.0	Plan and Disclosure Statement	Review valuation write-up
David Blechman	11/13/04	1.0	Plan and Disclosure Statement	Call with B. Spiegel, L. Sinanyan, M. Shehnitz, D. Siegel, P. Norris, R. Tarola re: accrued interest
David Blechman	11/13/04	1.0	Plan and Disclosure Statement	Review best interests write-up
David Blechman	11/13/04	2.0	Plan and Disclosure Statement	Read filed Plan documents
David Blechman	11/13/04	2.0	Plan and Disclosure Statement	Prepare final claims/best Interest test schedule
David Blechman	11/13/04	2.0	Plan and Disclosure Statement	Read filed Plan documents
David Blechman	11/13/04	2.0	Plan and Disclosure Statement	Read filed Plan documents
David Blechman	11/18/04	0.8	Plan and Disclosure Statement	Status meeting with P. Zilly
David Blechman	11/18/04	1.0	Plan and Disclosure Statement	Call with M. Berkin re: POR and Disclosure Statement
David Blechman	11/18/04	1.0	Plan and Disclosure Statement	Status meeting with D. Blechman re: Unsecured Creditors
David Blechman	11/19/04	1.3	Plan and Disclosure Statement	Calls with Committees advisors regarding POR
David Blechman	11/23/04	0.5	Plan and Disclosure Statement	Status meeting with P. Zilly
David Blechman	11/23/04	1.0	Plan and Disclosure Statement	Status meeting with D. Blechman re: accrued interest discussions
David Blechman	11/24/04	0.8	Plan and Disclosure Statement	Calls with T. Delbruge and M. Brown re:claims/interest, call with R. Tarola re: same
David Blechman	11/24/04	1.5	Plan and Disclosure Statement	Review claims sheet
David Blechman	11/24/04	1.0	Plan and Disclosure Statement	Review schedule of accrued interest on unsecured claims
Pamela Zilly	11/29/04	2.0	Plan and Disclosure Statement	Review claims/interest schedule/ POR model
David Blechman	11/30/04	1.5	Plan and Disclosure Statement	Status call with management inc. discussion of accrued interest
David Blechman	11/30/04	3.0	Plan and Disclosure Statement	Review/analyze accrued interest calculation
David Blechman	11/30/04	1.0	Plan and Disclosure Statement	Calls with T. Delbruge re: accrued interest
Jamie O'Connell	11/30/04	1.5	Plan and Disclosure Statement	Conference call regarding general unsecured claims

THE BLACKSTONE GROUP L.P.  
 HOURLY DETAIL FOR THE PERIOD OF  
 NOVEMBER 1, 2004 - NOVEMBER 30, 2004

Professional	Date	Hours	Category	Explanation
Pamela Zilly	11/30/04	1.0 <u>192.5</u>	Plan and Disclosure Statement	Call with R. Tarola re: interest rate schedules

THE BLACKSTONE GROUP L.P.  
 HOURLY DETAIL FOR THE PERIOD OF  
 NOVEMBER 1, 2004 - NOVEMBER 30, 2004

Professional	Date	Hours	Category	Explanation
Jamie O'Connell	11/11/04	3.0	Tax Issues	Revise POR model for tax claim treatment
Pamela Zilly	11/11/04	1.0	Tax Issues	Review tax claims and POR treatment
Pamela Zilly	11/11/04	<u>2.0</u>	Tax Issues	Review revised POR model for tax treatment
		<u><u>6.0</u></u>		

THE BLACKSTONE GROUP L.P.  
 HOURLY DETAIL FOR THE PERIOD OF  
 NOVEMBER 1, 2004 - NOVEMBER 30, 2004

Professional	Date	Hours	Category	Explanation
JP Munfa	11/05/04	4.0	Valuation	Comparable company research for latest issued financials
JP Munfa	11/05/04	5.0	Valuation	Comparable company analysis
JP Munfa	11/08/04	5.0	Valuation	Comparable company analysis
Jamie O'Connell	11/09/04	2.0	Valuation	Valuation analysis
JP Munfa	11/09/04	5.5	Valuation	Comparable company analysis
		<u><u>21.5</u></u>		

The Blackstone Group®

February 15, 2005

Mr. Paul J. Norris  
Chairman, President & CEO  
W.R. Grace & Co.  
7500 Grace Drive  
Columbia, Maryland 21044

Monthly advisory fee for the period of December 1, 2004 through December 31, 2004: \$ 175,000.00

Out-of-pocket expenses processed for the period through December 31, 2004:<sup>1</sup>

Ground Transportation	\$ 253.63
Communications	276.58
Meals	163.52
Research	<u>436.21</u>
	<u>1,129.94</u>
<b>Total Due</b>	<b><u>\$ 176,129.94</u></b>

**Please wire transfer funds to:**

JP Morgan Chase  
One New York Plaza  
New York, NY 10017  
ABA# 021 000 021  
Credit Account: The Blackstone Group L.P.  
Account Receivable Dept. 14th Floor  
Account # 066-287472

Invoice Number: 6950

<sup>1</sup> Expenses incurred, but not yet processed due to timing differences will be billed at a later date.

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**The Blackstone Group® L.P.**  
345 Park Avenue  
New York, NY 10154  
212 583-5000

**W.R. Grace & Co.  
Expense Summary  
Processed through  
December 31, 2004  
6950**

	<b>GL Detail</b>	<b>GL Detail</b>
Ground Transportation - Car Service - Concord	162.18	<b>162.18</b>
Ground Transportation - Car Service - Elite	20.45	<b>20.45</b>
Ground Transportation - Local Travel	71.00	<b>71.00</b>
Communications - Teleconferencing	276.58	<b>276.58</b>
Employee Meals	163.52	<b>163.52</b>
External Research - Multex	2.70	<b>2.70</b>
External Research - Securities Data	39.20	<b>39.20</b>
External Research - Online Database	394.31	<b>394.31</b>
<b>Total Expenses</b>	<b>\$ 1,129.94</b>	<b>\$ 1,129.94</b>

<b>Ground Transportation</b>	<b>253.63</b>
<b>Communications</b>	<b>276.58</b>
<b>Meals</b>	<b>163.52</b>
<b>Research</b>	<b>436.21</b>
 <b>Total Expenses</b>	 <b>\$ 1,129.94</b>

**W.R. Grace  
Expense Detail  
Processed through  
December 31, 2004  
6950**

**Ground Transportation****Car Service - Concord**

Blechman, David (car service home from Blackstone)	10/06/04	<b>162.18</b>
	<b>Subtotal - Car Service - Concord</b>	<b>162.18</b>

**Car Service - Elite**

Munfa, John-Paul (car service home from Blackstone)	11/10/04	<b>20.45</b>
	<b>Subtotal - Car Service - Elite</b>	<b>20.45</b>

**Local Travel**

O'Connell, John (taxi home from Blackstone)	11/09/04	17.00
O'Connell, John (taxi home from Blackstone)	11/11/04	18.00
O'Connell, John (weekend taxi to Blackstone from home)	11/13/04	18.00
O'Connell, John (weekend taxi home from Blackstone)	11/13/04	18.00
	<b>Subtotal - Local Travel</b>	<b>71.00</b>

<b>Subtotal - Ground Transportation</b>	<b>253.63</b>
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**Communications****Communications - Teleconferencing**

Blechman, David	07/13/04	69.70
Blechman, David	07/19/04	14.51
Blechman, David	07/21/04	7.28
Blechman, David	10/25/04	11.75
Blechman, David	11/05/04	14.09
Blechman, David	11/08/04	45.30
Blechman, David	11/13/04	4.48
Blechman, David	11/13/04	24.84
Zilly, Pamela	11/13/04	84.63
	<b>Subtotal - Communications - Teleconferencing</b>	<b>276.58</b>

<b>Subtotal - Communications</b>	<b>276.58</b>
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**Meals****Employee Meals**

Blechman, David (working dinner meal @ Blackstone)	10/26/04	7.06
Blechman, David (working dinner meal @ Blackstone)	10/28/04	25.00
Blechman, David (working dinner meal @ Blackstone)	11/10/04	25.00
Blechman, David (working dinner meal @ Blackstone)	11/11/94	25.00
Blechman, David (working dinner meal @ Blackstone)	11/15/04	25.00
Munfa, John-Paul (working dinner meal @ Blackstone)	11/09/04	25.00
O'Connell, John (working dinner meal @ Blackstone)	10/20/04	25.00
O'Connell, John (weekend working meal @ Blackstone)	11/13/04	6.46
	<b>Subtotal - Employee Meals</b>	<b>163.52</b>

<b>Subtotal - Meals</b>	<b>163.52</b>
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**Research****External Research - Multex**

Munfa, John-Paul (general research)	12/12/04 - 12/18/04	<b>2.70</b>
	<b>Subtotal - External Research - Multex</b>	<b>2.70</b>

**External Research - Securities Data**

Munfa, John-Paul (general research)	10/01/04	35.07
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W.R. Grace  
Expense Detail  
Processed through  
December 31, 2004  
6950

Munfa, John-Paul (general research)	10/01/04	4.13
	<b>Subtotal - External Research - Securities Data</b>	<b>39.20</b>
 <b><u>External Research - Online Database</u></b>		
Fields, Christopher (retrieved Court documents from P.A.C.E.R. website)	11/15/04	394.31
	<b>Subtotal - External Research - Online Database</b>	<b>394.31</b>
	<b>Subtotal - Research</b>	<b>436.21</b>
	<b>Total Expenses</b>	<b><u>1,129.94</u></b>

THE BLACKSTONE GROUP L.P.  
SUMMARY OF HOURS  
DECEMBER 1, 2004 - DECEMBER 31, 2004

Professional	Title	Hours
Pamela Zilly	Senior Managing Director	74.0
David Blechman	Vice President	57.1
James O'Connell	Associate	<u>30.3</u> <u><u>161.4</u></u>

THE BLACKSTONE GROUP L.P.  
 HOURLY DETAIL FOR THE PERIOD OF  
 DECEMBER 1, 2004 - DECEMBER 31, 2004

Professional	Date	Hours	Category	Explanation
David Blechman	12/03/04	0.5	Business Analysis	Send 5 year projections to Capstone, call with C. Troyer re: same
Pamela Zilly	12/03/04	1.0	Business Analysis	Review 5 year analyses
Jannie O'Connell	12/17/04	1.5	Business Analysis	Analysis of market prices of Grace debt
Pamela Zilly	12/17/04	1.0	Business Analysis	Review research on debt trading levels
Pamela Zilly	12/23/04	1.0	Business Analysis	Read Monthly Operating report
		<u><b>5.0</b></u>		

THE BLACKSTONE GROUP L.P.  
 HOURLY DETAIL FOR THE PERIOD OF  
 DECEMBER 1, 2004 - DECEMBER 31, 2004

Professional	Date	Hours	Category	Explanation
Pamela Zilly	12/14/04	0.5	Case Administration	Read Court Motions
Pamela Zilly	12/18/04	0.5	Case Administration	Read Court Motions
		<u><u>1.0</u></u>		

THE BLACKSTONE GROUP L.P.  
HOURLY DETAIL FOR THE PERIOD OF  
DECEMBER 1, 2004 - DECEMBER 31, 2004

Professional	Date	Hours	Category	Explanation
David Blechman	12/20/04	0.5 0.5 =====	Fee Applications	Work on fee application

**THE BLACKSTONE GROUP L.P.**  
**HOURLY DETAIL FOR THE PERIOD OF**  
**DECEMBER 1, 2004 - DECEMBER 31, 2004**

Professional	Date	Hours	Category	Explanation
David Blechman	12/01/04	1.0	Plan and Disclosure Statement	Review memo by Unsecured Creditors Committee ("USC")
Pamela Zilly	12/01/04	1.0	Plan and Disclosure Statement	Review Strook memo on Unsecured Creditors Committee ("USC") Plan comments
Pamela Zilly	12/01/04	0.5	Plan and Disclosure Statement	Read Dow Corning opinion re: interest rates
Pamela Zilly	12/01/04	1.0	Plan and Disclosure Statement	Review and provide comments on accrued interest schedules
Pamela Zilly	12/01/04	2.0	Plan and Disclosure Statement	Prepare reconciliation analysis of claims treatment in POR vs. records
David Blechman	12/02/04	0.8	Plan and Disclosure Statement	Status meeting with P. Zilly re: USC memo
David Blechman	12/02/04	1.0	Plan and Disclosure Statement	Call with C. Troyer regarding USC memo
David Blechman	12/02/04	1.5	Plan and Disclosure Statement	Meeting with B. Tarola, call with P. Norris regarding same
Jamie O'Connell	12/02/04	1.0	Plan and Disclosure Statement	Conference call with management, counsel re: unsecured creditors comments to disclosure statement
Pamela Zilly	12/02/04	1.5	Plan and Disclosure Statement	Call with management, counsel to review Strook memo
Pamela Zilly	12/02/04	0.8	Plan and Disclosure Statement	Status meeting with D. Blechman re: Unsecured Creditors comments
Pamela Zilly	12/02/04	1.0	Plan and Disclosure Statement	Review accrued interest rate schedules
David Blechman	12/03/04	1.5	Plan and Disclosure Statement	Call with USC financial and legal advisors re: comments to Plan and Disclosure Statement
David Blechman	12/03/04	1.0	Plan and Disclosure Statement	Follow-up call with management
Jamie O'Connell	12/03/04	1.8	Plan and Disclosure Statement	Conference call with advisors to general unsecured creditor committee
Pamela Zilly	12/03/04	1.5	Plan and Disclosure Statement	Call with Strook, J. Baer, D.Siegel, M. Sheinitz, R. Tarola, C. Troyer re: Strook memo
Pamela Zilly	12/03/04	1.0	Plan and Disclosure Statement	Follow-up call with management re: USC call
David Blechman	12/06/04	4.0	Plan and Disclosure Statement	Mark up Plan documents for USC comments; meet with J. O'Connell
David Blechman	12/06/04	0.8	Plan and Disclosure Statement	Review Plan documents with P. Zilly
Jamie O'Connell	12/06/04	1.0	Plan and Disclosure Statement	Meeting with D. Blechman re: plan documents
Pamela Zilly	12/06/04	0.8	Plan and Disclosure Statement	Review changes to POR documents with D. Blechman
David Blechman	12/07/04	3.0	Plan and Disclosure Statement	Review/review Plan documents, prepare for creditor advisor meeting 12/8/04
David Blechman	12/07/04	2.0	Plan and Disclosure Statement	Dinner meeting B. Tarola, K&E
Pamela Zilly	12/07/04	1.0	Plan and Disclosure Statement	Review interest rate schedules
Pamela Zilly	12/07/04	2.0	Plan and Disclosure Statement	Prepare reconciliation analysis of claims treatment in POR vs. records
Pamela Zilly	12/07/04	1.5	Plan and Disclosure Statement	Review markup of documents
Pamela Zilly	12/07/04	0.5	Plan and Disclosure Statement	Review warrant term sheet
Pamela Zilly	12/07/04	2.0	Plan and Disclosure Statement	Dinner meeting with R. Tarola, J. Baer, L. Sinanyan, R. Speigel
Pamela Zilly	12/08/04	3.5	Plan and Disclosure Statement	Meeting with Strook and Capstone, K&E re: POR
David Blechman	12/08/04	0.8	Plan and Disclosure Statement	Meeting update with P. Zilly
Pamela Zilly	12/08/04	3.5	Plan and Disclosure Statement	Meeting with S. Cunningham, C. Troyer, A. Kreiger, L. Kruger, R. Tarola, J. Baer, B. Spiegel re: USC comments
Pamela Zilly	12/08/04	0.8	Plan and Disclosure Statement	Status meeting with D. Blechman re: convenience class
David Blechman	12/09/04	0.5	Plan and Disclosure Statement	Status updates with B. Spiegel
David Blechman	12/09/04	1.0	Plan and Disclosure Statement	Draft warrant term sheet
David Blechman	12/09/04	0.8	Plan and Disclosure Statement	Call with L. Sinanyan regarding markup
David Blechman	12/09/04	2.5	Plan and Disclosure Statement	Follow-up regarding revisions to Plan documents
Pamela Zilly	12/09/04	1.0	Plan and Disclosure Statement	Review markup of documents
David Blechman	12/10/04	2.0	Plan and Disclosure Statement	Work on markup of documents for Capstone
David Blechman	12/10/04	1.5	Plan and Disclosure Statement	Call with J. Baer, T. DeBarge regarding claims, follow up with B. Tarola
David Blechman	12/10/04	0.8	Plan and Disclosure Statement	Status meeting with P. Zilly and J. O'Connell
Jamie O'Connell	12/10/04	0.8	Plan and Disclosure Statement	Status meeting with D. Blechman and P. Zilly
Pamela Zilly	12/10/04	1.5	Plan and Disclosure Statement	Analysis of pass-through claims, proper Plan classification
Pamela Zilly	12/10/04	2.0	Plan and Disclosure Statement	Review markup of Exhibits and Disclosure Statement
Pamela Zilly	12/10/04	0.8	Plan and Disclosure Statement	Discussion with D. Blechman re: classification of claims

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Professional	Date	Hours	Category	Explanation
Pamela Zilly Jamie O'Connell	12/10/04	1.0	Plan and Disclosure Statement	Plans with management re: accrued interest
Pamela Zilly	12/13/04	1.0	Plan and Disclosure Statement	Valuation analysis in response to SEC comments on Disclosure Statement
Pamela Zilly	12/13/04	0.5	Plan and Disclosure Statement	Read SEC response to Plan
Pamela Zilly	12/13/04	0.5	Plan and Disclosure Statement	Call with C. Troyer re: comments to Disclosure statement
Pamela Zilly	12/13/04	0.5	Plan and Disclosure Statement	Call with management, counsel re: SEC comments
Pamela Zilly	12/13/04	1.0	Plan and Disclosure Statement	Correspondence with C. Troyer, R. Tarola re: POR questions
Pamela Zilly	12/14/04	1.0	Plan and Disclosure Statement	Valuation analysis in response to SEC comments on Disclosure Statement
Pamela Zilly	12/14/04	0.5	Plan and Disclosure Statement	Read PBGC objections
Pamela Zilly	12/14/04	3.0	Plan and Disclosure Statement	Revise, prepare chart in response to SEC comment
Pamela Zilly	12/15/04	0.5	Plan and Disclosure Statement	Provide comments on Disclosure Statement to L. Sinanyan
Pamela Zilly	12/15/04	3.0	Plan and Disclosure Statement	Draft terms of management incentive plan
Pamela Zilly	12/15/04	2.0	Plan and Disclosure Statement	Review and provide comments on Plan and Disclosure Statement documents
Pamela Zilly	12/15/04	1.0	Plan and Disclosure Statement	Review environmental claims presentation
Pamela Zilly	12/15/04	2.0	Plan and Disclosure Statement	Various calls, correspondence with R. Tarola, L. Sinanyan re: payment of unsecured claims after Effective Date
Pamela Zilly	12/15/04	2.0	Plan and Disclosure Statement	Make changes to SEC chart and management incentive term sheet
Pamela Zilly	12/16/04	1.5	Plan and Disclosure Statement	Environmental claims meeting with management and advisors to the USC
Pamela Zilly	12/16/04	4.0	Plan and Disclosure Statement	Meeting with W. Corcoran, J. Baer, Capstone, Strook re: environmental claims
Pamela Zilly	12/16/04	0.5	Plan and Disclosure Statement	Call with P. Norris re: accrued interest
Pamela Zilly	12/16/04	3.0	Plan and Disclosure Statement	Review markup of POR documents, provide comments, check analysis in financial exhibits
Pamela Zilly	12/17/04	0.5	Plan and Disclosure Statement	Call with R. Tarola re: debt trading levels and unfunded LCs
Pamela Zilly	12/20/04	0.5	Plan and Disclosure Statement	Call with P. Zilly and J. O'Connell
Pamela Zilly	12/20/04	0.5	Plan and Disclosure Statement	Status call with P. Zilly and D. Blechman
Pamela Zilly	12/20/04	0.5	Plan and Disclosure Statement	Status call with D. Blechman , J. O'Connell
Pamela Zilly	12/21/04	1.0	Plan and Disclosure Statement	Conference call with management and counsel re: plan of reorganization
Pamela Zilly	12/21/04	2.0	Plan and Disclosure Statement	Update financial model to include revised interest amounts
David Blechman	12/20/04	0.5	Plan and Disclosure Statement	Review revise POR model
Jamie O'Connell	12/20/04	0.5	Plan and Disclosure Statement	Call with P. Norris, E. Filon, R. Tarola, D. Siegel, M. Shelhitz re: COLI settlement
Pamela Zilly	12/20/04	0.5	Plan and Disclosure Statement	Review and revise POR model/calls w/J. O'Connell
Jamie O'Connell	12/21/04	1.0	Plan and Disclosure Statement	Review POR model
Jamie O'Connell	12/21/04	0.5	Plan and Disclosure Statement	Call w/B. Tarola re POR model
Pamela Zilly	12/21/04	1.0	Plan and Disclosure Statement	Calls with D. Blechman regarding financial model
Pamela Zilly	12/22/04	1.5	Plan and Disclosure Statement	Review of interest calculations relating to unsecured claims.
David Blechman	12/22/04	2.0	Plan and Disclosure Statement	Revise financial model and NOL analysis
David Blechman	12/22/04	2.3	Plan and Disclosure Statement	Review updated POR model
David Blechman	12/22/04	0.5	Plan and Disclosure Statement	Review interest schedules/revised
Jamie O'Connell	12/22/04	2.0	Plan and Disclosure Statement	Calls with R. Laparido regarding interest expense
Jamie O'Connell	12/22/04	1.0	Plan and Disclosure Statement	Status meeting with P. Zilly, J. O'Connell
Jamie O'Connell	12/22/04	2.0	Plan and Disclosure Statement	Review, revise Disclosure Statement exhibits
Pamela Zilly	12/22/04	1.5	Plan and Disclosure Statement	Review of interest calculations relating to unsecured claims
Pamela Zilly	12/22/04	0.5	Plan and Disclosure Statement	Status meeting with P. Zilly and D. Blechman
David Blechman	12/23/04	1.8	Plan and Disclosure Statement	Read objections to Plan and Disclosure Statement/ note changes
David Blechman	12/23/04	0.5	Plan and Disclosure Statement	Meeting with D. Blechman, J.O'Connell re: status of documents, analysis
David Blechman	12/23/04	2.5	Plan and Disclosure Statement	Update plan documents for accrued interest, calls with management and Capstone regarding same
David Blechman	12/23/04	0.5	Plan and Disclosure Statement	Read objections to Disclosure Statement
David Blechman	12/27/04	4.5	Plan and Disclosure Statement	
David Blechman	12/27/04	4.0	Plan and Disclosure Statement	

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Professional	Date	Hours	Category	Explanation
Jamie O'Connell	12/27/04	1.0	Plan and Disclosure Statement	Review of interest calculations
Jamie O'Connell	12/27/04	1.0	Plan and Disclosure Statement	Updating financial model to include revised interest amounts
David Blechman	12/28/04	3.0	Plan and Disclosure Statement	Update plan documents, meeting with J. O'Connell regarding same
Jamie O'Connell	12/28/04	0.8	Plan and Disclosure Statement	Conference call with management and counsel regarding plan of reorganization
Jamie O'Connell	12/28/04	3.5	Plan and Disclosure Statement	Financial model analysis (including meeting with D. Blechman)
Pamela Zilly	12/28/04	1.0	Plan and Disclosure Statement	Call with management and counsel re: POR status
David Blechman	12/29/04	0.5	Plan and Disclosure Statement	Call with P. Zilly re: comments to POR
David Blechman	12/29/04	0.5	Plan and Disclosure Statement	Call with T. Delbrunge regarding claims
David Blechman	12/29/04	2.0	Plan and Disclosure Statement	Review/review Plan documents
David Blechman	12/29/04	0.5	Plan and Disclosure Statement	Call with L. Sinanyan regarding same
Pamela Zilly	12/29/04	0.5	Plan and Disclosure Statement	Call with D. Blechman re: review of Strook/Capstone comments to Plan
Pamela Zilly	12/29/04	0.5	Plan and Disclosure Statement	Review interest rate schedules
Pamela Zilly	12/29/04	1.0	Plan and Disclosure Statement	Review revised markup to financial exhibits and Disclosure Statement
Pamela Zilly	12/30/04	1.5	Plan and Disclosure Statement	Review revised POR model
Pamela Zilly	12/30/04	0.5	Plan and Disclosure Statement	Review Capstone changes/questions
Jamie O'Connell	12/31/04	2.5	Plan and Disclosure Statement	Review of revised disclosure statement
		<u>147.6</u>		

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Professional	Date	Hours	Category	Explanation
Pamela Zilly	12/13/04	0.5	Tax Issues	Review NOL and tax information sent to C. Troyer
Pamela Zilly	12/17/04	1.5	Tax Issues	Read material re: COLI / tax issues
Pamela Zilly	12/20/04	0.5	Tax Issues	Review memo re: COLI / tax issues
Jamie O'Connell	12/21/04	1.0	Tax Issues	Conference call with management re: COLI
Pamela Zilly	12/22/04	0.5	Tax Issues	Correspondence re: COLI / tax issues
David Blechman	12/23/04	0.8	Tax Issues	Calls with E. Filon regarding tax
Jamie O'Connell	12/23/04	0.5	Tax Issues	Call with E. Filon regarding tax issues
Pamela Zilly	12/23/04	0.5	Tax Issues	Correspondence re: COLI and tax issues
David Blechman	12/29/04	0.5	Tax Issues	Tax discussion with E. Filon
Pamela Zilly	12/31/04	0.5	Tax Issues	Correspondence re: NOLs with E. Filon
		<b><u>6.8</u></b>		

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Professional	Date	Hours	Category	Explanation
Jamie O'Connell	12/28/04	0.5 _____ 0.5	Valuation	Updating valuation analysis for disclosure statement